

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2372 – SB 2341

March 16, 2010

SUMMARY OF AMENDMENT (013884): Deletes all language after the enacting clause and terminates the responsibilities of the surrendering parent or guardian, the consenting parent, or the person executing a waiver of interest for future child support or other financial responsibilities upon the Department of Children's Services (DCS) acceptance of surrender of parental rights with respect to the child after determining that it is in the child's best interest.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Revenue - \$19,200

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Decrease State Revenue – Exceeds \$100,000

State Expenditures – Net Impact – Not Significant

Federal Expenditures – Net Impact – Not Significant

Assumptions applied to amendment:

- The provisions of the bill would prohibit DCS from collecting child support or other financial support from a parent or guardian who surrenders his or her child if the surrender is determined to be in the best interest of the child and the Department accepts the surrender. These funds are collected to provide financial support for the child while in custody.
- According to DCS, last year approximately \$2,600,000 was collected from parents who had a child in state custody. The Department cannot separate the amount of collections received from a surrender of parental rights from collections received from children entering state custody for other reasons. It is assumed that collections would decrease by at least five percent, or \$130,000 (\$2,600,000 x .05).
- There will not be a significant impact to the operating cost of the Child Support Enforcement program or programming costs of the Tennessee Child Support Enforcement System (TCSSES). Any cost can be accommodated within existing resources of the Department of Human Services without an increased appropriation or reduced reversion.
- The Child Support Enforcement program is funded through both state (34%) and federal (66%) funds.

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- Any decrease in child support collections will not have a fiscal impact on the revenue of the Department of Human Services.
- The provisions of the bill as amended will not eliminate any responsibility of the parent or guardian for any past child support arrearages or other financial obligations incurred for the care of the child prior to the execution of the surrender.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director

/kml